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ECONOMIC CONDITIONS IN NEW HAMPSHIRE

A Monthly Report by the NEW HAMPSHIRE DEPARTMENT OF EMPLOYMENT SECURITY
Prepared in Coordination with the UNITED STATES BUREAU OF LABOR STATISTICS

August 1989

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June Unemployment Rate 3.4%; Increase is 0.5% from May

The unemployment rate for New Hampshire in June reached 3.4 percent. This was an increase of 0.5 percent from the 2.9 percent estimated for May, and an increase of 0.9 percent from the 2.5 percent rate of a year earlier. This also continues the trend for each month so far this year: there has been an increase in the statewide unemployment rate over the corresponding month in 1988.

The period from May to June signals a seasonal increase in the number of students, other young workers, and part-year workers into the labor force; the higher unemployment rate statewide can be partly attributed to these new workers and their difficulty in finding immediate employment. In addition the construction sector remains weak, with June employment estimates about 3,850 lower than in June 1988. About eighty percent of the increase in the labor force was absorbed into the workplace, five percentage points higher than during the April-to-May period. However, the increase in the labor force and the number of unemployed were much larger, with the latter leading to the increase in the unemployment rate. The labor force went up by 17,090 over the month, but employment rose by only 13,720 workers. The other 3,370 workers were unemployed, causing total unemployment to rise to 21,290.

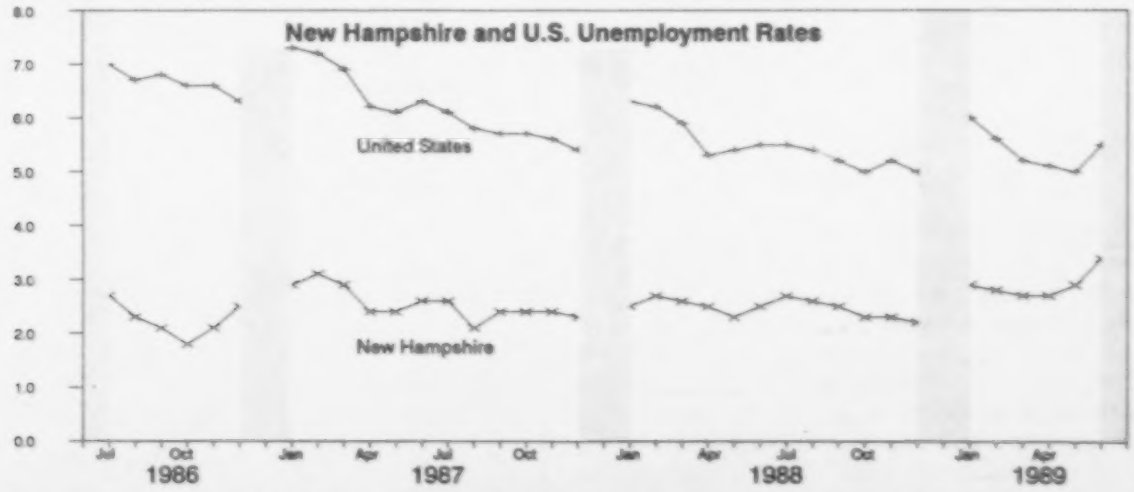
Nationally the not-seasonally-adjusted unemployment rate rose from 5.0 percent in May to 5.5 percent in June.

The United States civilian labor force was 125,569,000 in June, an increase of 2,373,000 from May, and 2,541,000 above the level in June 1988. National unemployment was estimated to be 6,850,000 in June, compared to 6,156,000 in May and 6,819,000 last June.

Employment Trends in New Hampshire

New Hampshire nonagricultural wage and salary employment was estimated at 540,350 in June. This estimate is based on a monthly sample of employers. Revised estimates of May nonagricultural wage and salary employment were 533,350 (200 less than preliminary estimates), while June 1988 employment levels were pegged at 532,700.

The increase in nonagricultural wage and salary employment over the month (+7,000) was centered in the nonmanufacturing sector, which gained 6,050 workers. This boost in employment was attributable to seasonal expansion in services (+3,800) and trade (+3,700) industries. Smaller increases were estimated for the construction division (+600), the finance, insurance, and real estate division



Notes: These unemployment rates were calculated using the new methodology adopted in January 1989. They are not directly comparable to monthly rates published prior to that time.

Although monthly changes are included in this publication, it should be noted that these figures are not seasonally adjusted. Over-the-month comparisons may be affected by seasonal changes and could present misleading representation of underlying trends. To eliminate bias, it is more useful to compare any non-seasonally-adjusted statistic with that of twelve months earlier.

(+550), and the transportation, communication, and utilities division (+500). These increases were partly offset by the drop in government employment (-3,100) normally seen at this time of year. About two-thirds of thiswas in state government employment, while the other third was in local government employment. Government employment levels at this time of year are affected by school shutdowns.

The month's increase in manufacturing employment (+950) was fairly widely distributed, with durable goods employment up 450 and nondurable goods employment up 500. Principal gainers were the Electrical products industry (+200) in the durable goods sector, and the Paper and allied products industry (+200) and the Printing, publishing, and allied products industry (+200) in the nondurable goods sector.

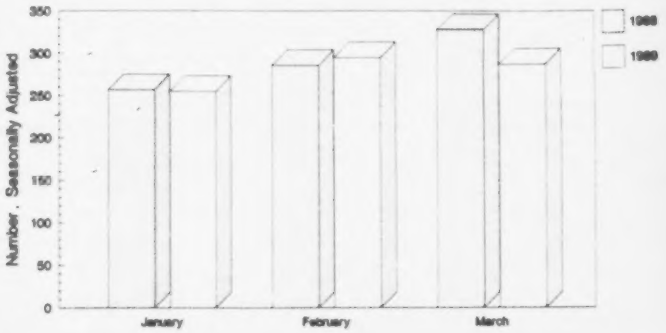
Compared to a year earlier, total nonagricultural employment is up an estimated 7,650. All of this increase is due to expansion and growth in the nonmanufacturing sector. There was no growth in total manufacturing employment from June to June, according to estimates.

The largest increases in nonmanufacturing employment occurred in the services division (+4,900), followed by the trade division (+4,400). Government showed the third largest divisional increase in employment (+1,550), with local governments estimated to have 1,600 more employees than a year earlier; state government was down 100 employees. The construction division dropped about ten percent compared to June 1988. Total construction wage and salary employment was estimated to go from 39,550 to 35,700 over the year, a decline of 3,850. These estimates are of employment levels only, and would not reflect what may have happened to construction worker hours. Local office reports indicate that hours worked per week in the construction industry have dropped, adding a different dimension to the drop in construction employment. The only other division to lose employment from twelve months earlier is Transportation, communication, and utilities, which lost an estimated 100 workers.

New Business Incorporations

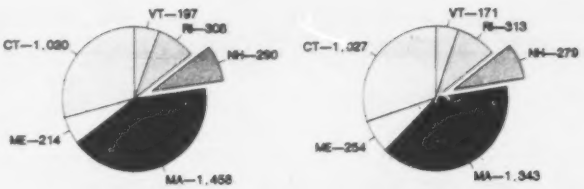
Incorporations of new businesses in New Hampshire has remained generally stable. In seasonally adjusted numbers prepared by the Federal Reserve Bank of Boston, new business incorporations have ranged from a monthly low of 217 in October 1988 to a high of 344 in August 1988. The monthly average number of incorporations during 1988 was 283. March 1989 is the only month in the first quarter during which incorporations were appreciably lower than during the corresponding month in the first quarter of 1988. This may indicate that entrepreneurs perceive fewer current business opportunities in New Hampshire. For all states in

New Business Incorporations in New Hampshire



New England, the monthly average of incorporations during the first quarter of 1989 was similar to the average for the first quarter of 1988. However, Massachusetts has seen a significant drop in new businesses, as shown in the chart below.

New Business Incorporations, 1988 and 1989
First Quarter Monthly Average/New England States
(Number, Seasonally Adjusted)



1988
First Quarter Monthly Average

1989
First Quarter Monthly Average

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August 1989

TOTAL UNEMPLOYMENT AND LABOR FORCE BY AREA AND COUNTY*

	UNEMPLOYMENT								CIVILIAN LABOR FORCE				
	June 1989		May 1989		June 1988		Numerical Change From Previous:		June	May	June	Numerical Change From Previous:	
	Number	Rate	Number	Rate	Number	Rate	Month	Year	1989	1989	1988	Month	Year
United States**	6,850	5.5	6,156	5.0	6,819	5.5	694	31	125,569	123,196	123,028	2,373	2,541
New Hampshire	21,290	3.4	17,920	2.9	15,230	2.5	3,370	6,060	634,490	617,430	608,090	17,060	26,400
Berlin LMA	690	2.5	1,080	4.1	550	2.1	(390)	140	27,470	26,540	26,180	930	1,290
Claremont LMA	820	1.9	560	1.3	800	2.0	260	20	43,230	42,310	41,000	920	2,230
Concord LMA	2,110	3.8	1,510	2.8	1,100	2.1	600	1,010	56,610	54,610	52,460	1,000	3,150
Keene LMA	880	2.0	800	1.8	750	1.8	80	110	44,080	43,370	41,130	690	2,930
Laconia LMA	1,930	3.2	1,420	2.5	890	1.6	510	1,040	60,310	57,160	55,650	3,150	4,660
Littleton LMA	580	2.8	610	3.2	470	2.4	(30)	110	20,520	19,330	19,470	1,190	1,050
Manchester MSA	2,870	3.3	2,490	2.9	1,890	2.2	380	980	87,840	86,560	85,490	1,280	2,350
Nashua PMSA	3,740	3.6	3,230	3.2	3,350	3.3	510	390	102,860	100,330	100,500	2,530	2,360
NH portion Lawrence-Haverhill, Ma PMSA***	3,030	5.6	2,490	4.7	2,290	4.4	540	740	54,460	53,060	52,250	1,250	1,370
Portsmouth-Dover-Rochester NH+Me MSA	3,560	2.6	2,860	2.1	2,360	1.7	700	1,200	136,270	135,030	136,840	3,240	1,430
Unattached Estimating Area	1,160	4.8	870	3.6	800	3.5	290	360	24,360	23,130	23,010	1,250	1,370
NH portion Lowell Ma PMSA	350	6.2	340	6.1	240	4.5	10	110	5,660	5,590	5,320	70	340
Counties													
Belknap	980	3.2	680	2.3	420	1.5	300	560	31,020	29,410	28,620	1,610	2,400
Carroll	580	2.8	610	3.1	320	1.7	(30)	260	20,580	19,670	19,310	910	1,270
Cheshire	770	2.0	680	1.8	700	1.9	90	70	39,270	38,620	38,690	650	2,580
Coos	600	2.8	880	4.2	610	3.0	(280)	(10)	21,540	20,730	20,630	810	910
Grafton	1,100	2.4	970	2.2	760	1.8	130	340	45,300	43,450	42,620	1,850	2,680
Hillsborough	6,870	3.6	5,940	3.1	5,430	2.9	930	1,440	192,770	188,740	187,270	4,030	5,500
Merrimack	2,390	3.5	1,740	2.6	1,210	1.9	650	1,180	67,530	65,960	63,670	1,570	3,860
Rockingham	5,700	4.3	4,680	3.6	4,050	3.2	1,020	1,650	132,190	128,670	127,570	3,520	4,620
Strafford	1,880	3.0	1,450	2.4	1,230	2.0	410	630	62,250	60,820	60,730	1,630	1,520
Sullivan	440	2.0	290	1.3	500	2.4	150	(60)	22,040	21,560	20,980	480	1,060

* *NH estimates based on the Bureau of Labor Statistics "43 step handbook method" adjusted to the Current Population Survey (CPS) estimates.*
** *In thousands, not seasonally adjusted.*
*** *New Hampshire Portion of the Lawrence-Haverhill, Massachusetts Primary Metropolitan Statistical Area which includes Salem and twelve small towns.*

Note: Negative numbers in parentheses

Labor Market Area Unemployment Trends

Virtually all areas exhibited an increase in their unemployment rates between May and June. The only two exceptions were the Berlin (-1.6 percentage points) and Littleton (-0.4 percentage points) Labor Market Areas (LMAs). Both of those areas were beginning preparations for the summer tourist season. The largest rate increase in the contiguous labor market areas was calculated for the Concord LMA, which moved from 2.8 percent in May to 3.8 percent in June (+1.0 percentage points).

The Claremont LMA had the lowest area unemployment rate in June, when it registered 1.9 percent. The Keene LMA followed closely at 2.0 percent, while the Berlin LMA had an unemployment rate of 2.5 percent. The highest area rate, 5.6 percent, was found in the Salem area, which is the New Hampshire portion of the Lawrence-Haverhill, Massachusetts Primary Metropolitan Statistical Area (PMSA). [The New Hampshire portion of the Lowell, MA PMSA, which consists of the town of Pelham, had a 6.2 percent unemployment rate, but represents a very small area. It is more useful to compare unemployment rates for areas larger in population and size.]

May Unemployment Rate Second Lowest in United States

Nebraska registered the lowest unemployment rate in the country in May at 2.5 percent. New Hampshire had the second lowest unemployment rate, 2.9 percent. Other New England states continue to record low unemployment rates. Connecticut tied with New Hampshire at 2.9 percent. Massachusetts had a 3.4 percent rate; Vermont, 3.6 percent; Maine, 3.8 percent; and Rhode Island, 4.2 percent. Louisiana continued to experience the highest unemployment rate among the states, 9.4 percent in May.

Average Weekly Hours and Earnings in Manufacturing Sector Up Slightly from May

Statewide average weekly hours and earnings in manufacturing rose slightly from May to June. Average weekly hours went up from 40.3 hours to 40.7 hours. Average weekly earnings increased by $2.83 to $411.07. Average hourly

earnings remained virtually constant; they were estimated to be $10.10 in June and $10.13 in May.

The same set of estimates is made for three Metropolitan Statistical Areas in New Hampshire. The Nashua PMSA showed a more dramatic drop in average hourly earnings (from an estimated $11.96 to $11.68), while average weekly hours stayed constant. This led to a drop in average weekly earnings of $11.53 (from $492.75 to $481.22).

Highest average hourly earnings were estimated for the Food and Kindred Products industry ($11.87) in the nondurable goods sector. Highest average weekly earnings ($499.73) were also found in the Food and Kindred Products industry. Average weekly hours were greatest in the Primary Metal Products industry (44.5 hours) in the durable goods industry.

Bruce DeMay

NEW HAMPSHIRE CIVILIAN LABOR FORCE, TOTAL EMPLOYMENT AND UNEMPLOYMENT AND SALARY EMPLOYMENT AS OF THE MIDDLE OF THE MONTH

	Number of Workers			Numerical Change * From Previous:	
	June 1989	May 1989	June 1988	Month	Year
Labor Force Data **					
Civilian Labor Force	634,490	617,430	608,090	17,060	26,400
Unemployment	21,290	17,920	15,230	3,370	6,060
Percent of Labor Force	3.4	2.9	2.5	—	—
Employment Total	613,200	599,360	592,760	13,840	20,440
Persons Involved in Labor Disputes	0	150	100	(150)	(100)
Employment by Industry ***					
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT	540,350	533,350	532,700	7,000	7,650
MANUFACTURING	118,750	117,800	118,750	950	0
Durable Goods	82,900	82,450	82,900	450	0
Lumber and wood products	5,700	5,650	5,900	50	(200)
Furniture and fixtures	1,350	1,350	1,550	0	(200)
Stone and clay products	3,550	3,400	3,550	150	0
Primary metal products	4,900	4,800	4,750	100	150
Fabricated metal products	7,000	6,900	6,850	100	150
Machinery (except electrical)	25,750	25,750	25,600	0	150
Electrical products	23,000	22,800	22,750	200	250
Miscellaneous products	2,250	2,250	2,250	0	0
Other durable goods	9,400	9,550	9,700	(150)	(300)
Nondurable Goods	35,850	35,350	35,850	500	0
Food and kindred products	2,800	2,700	2,750	100	50
Textile mill products	3,500	3,600	3,600	(100)	(100)
Apparel	1,700	1,700	1,700	0	0
Paper and allied products	5,800	5,600	5,600	200	200
Printing, publishing, and allied	8,900	8,700	8,800	200	100
Leather and leather products	3,200	3,150	3,400	50	(200)
Other nondurable goods	9,950	9,900	10,000	50	(50)
NONMANUFACTURING	421,600	415,550	413,950	6,050	7,650
Construction (including mining)	35,700	35,100	39,550	600	(3,850)
Transportation, communication, and utilities	18,200	17,700	18,300	500	(100)
Trade	140,700	137,000	136,300	3,700	4,400
Finance, insurance, and real estate	33,550	33,000	32,800	550	750
Service industry and other	124,500	120,700	119,600	3,800	4,900
Government	68,950	72,050	67,400	(3,100)	1,550
Federal	8,650	8,600	8,600	50	50
State	16,700	18,750	16,800	(2,050)	(100)
Local	43,600	44,700	42,000	(1,100)	1,600
Persons involved in labor disputes (not included in Nonagricultural Wage and Salary Employment Total above)	150	150	100	0	50

** Numbers in parentheses indicate negative numbers*
*** By place of residence*
**** By place of establishment, March 1988 benchmark*

MSA LABOR FORCE, TOTAL EMPLOYMENT AND UNEMPLOYMENT, AND NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT AS OF THE MIDDLE OF THE MONTH

	Manchester MSA					Nashua PMSA					Portsmouth-Dover-Rochester MSA				
	Number of Workers			Change*		Number of Workers			Change*		Number of Workers			Change*	
	June 1989	May 1989	June 1988	From Previous: Month	Year	June 1989	May 1989	June 1988	From Previous: Month	Year	June 1989	May 1989	June 1988	From Previous: Month	Year
Labor Force Data**															
1. Civilian Labor Force	87,840	86,580	85,490	1,260	2,350	102,880	100,330	100,500	2,530	2,380	138,270	135,030	136,840	3,240	1,430
2. Unemployment	2,870	2,490	1,890	380	980	3,740	3,230	3,350	510	390	3,580	2,880	2,380	700	1,200
Percentage of Labor Force	3.3	2.9	2.2	—	—	3.6	3.2	3.3	—	—	2.6	2.1	1.7	—	—
3. Employment Total	84,970	83,920	83,500	1,050	1,470	99,120	97,100	97,150	2,020	1,970	134,710	132,170	134,480	2,540	230
4. Persons Involved in Labor Disputes	0	150	100	(150)	(100)	0	0	0	0	0	0	0	0	0	0
Employment by Industry***															
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT	86,850	86,350	86,250	500	600	98,600	96,150	98,850	1,450	(250)	115,000	114,100	113,550	900	1,450
MANUFACTURING	11,500	11,500	12,200	0	(700)	38,700	38,200	38,550	500	150	20,850	20,850	20,900	200	(50)
Durable Goods	6,850	6,900	7,500	(50)	(650)	30,650	30,300	30,200	350	450	12,850	12,650	12,900	200	(50)
Machinery and electrical products	3,800	3,850	4,300	(50)	(500)	23,100	22,950	22,600	150	500					
Other durable goods	3,050	3,050	3,200	0	(150)	7,550	7,350	7,600	200	(50)					
Nondurable Goods	4,650	4,600	4,700	50	(50)	6,050	5,900	6,350	150	(300)	8,000	8,000	8,000	0	0
Textile mill products	1,050	1,100	1,150	(50)	(100)										
Other nondurable goods	3,600	3,500	3,550	100	50										
NONMANUFACTURING	75,350	74,850	74,050	500	1,300	59,900	58,950	60,300	950	(400)	94,150	93,450	92,650	700	1,500
Construction (including mining)	6,250	6,200	6,000	50	250	4,600	4,550	5,300	50	(700)	5,950	5,950	6,700	0	(750)
Transportation, communication, and utilities	5,600	5,550	5,400	50	200	2,850	2,700	2,650	150	200	3,300	3,250	3,100	50	200
Trade	23,700	23,450	24,050	250	(350)	21,800	21,450	22,700	350	(900)	31,050	30,050	29,700	1,000	1,350
Finance, insurance, and real estate	8,550	8,500	8,100	50	450	3,700	3,700	3,900	0	(200)	7,150	7,050	7,000	100	150
Service industry & other	22,350	22,150	21,700	200	650	19,800	19,200	18,950	600	850	22,550	21,200	21,850	1,350	700
Government	8,900	9,000	8,800	(100)	100	7,350	7,350	6,800	0	550	24,150	25,950	24,300	(1,800)	(150)
Federal	2,600	2,600	2,650	0	(50)	950	900	900	50	50	11,050	11,050	10,800	0	250
State	800	800	750	0	50	200	200	200	0	0	3,700	5,250	4,300	(1,550)	(600)
Local	5,500	5,600	5,400	(100)	100	6,200	6,250	5,700	(50)	500	9,400	9,650	9,200	(250)	200
Persons involved in labor disputes (not included in Nonagricultural Wage and Salary Employment above)	0	150	100	(150)	(100)	0	0	0	0	0	0	0	0	0	0

Manchester MSA -- includes the city of Manchester and the towns of Allenstown, Auburn, Bedford, Candia, Goffstown, and Hooksett.
Nashua PMSA -- includes the city of Nashua and the towns of Amherst, Brookline, Hollis, Hudson, Litchfield, Londonderry, Merrimack, Milford, Mont Vernon, and Wilton.
Portsmouth-Dover-Rochester MSA -- includes the New Hampshire cities of Dover, Portsmouth, Rochester, and Somersworth; the New Hampshire towns of Barrington, Durham, Exeter, Farmington, Greenland, Hampton, Lee, Madbury, Milton, New Castle, Newfields, Newington, Newmarket, North Hampton, Rollinsford, Rye, and Stratham; and the Maine towns of Berwick, Eliot, Kittery, North Berwick, Ogunquit, South Berwick, Wells, and York.

* *Numbers in parentheses indicate negative numbers*
** *By place of residence*
*** *By place of establishment, March 1988 benchmark*

AVERAGE EARNINGS AND HOURS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

(Establishment Survey estimates on this page are currently projected from March 1988 benchmark levels.)

NEW HAMPSHIRE

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	June 1989	May 1989	June 1988	June 1989	May 1989	June 1988	June 1989	May 1989	June 1988
All Manufacturing	$411.07	$408.24	$393.01	40.7	40.3	40.6	$10.10	$10.13	$9.68
Durable goods	421.65	417.28	395.34	40.7	40.2	40.3	10.36	10.38	9.81
Lumber and wood products	343.66	305.03	313.43	38.7	34.9	38.6	8.88	8.74	8.12
Furniture and fixtures	320.31	333.85	309.37	40.7	42.1	40.6	7.87	7.93	7.62
Stone and clay products	392.59	395.08	370.64	41.5	41.5	41.0	9.46	9.52	9.04
Primary metal products	471.26	467.56	435.86	44.5	44.7	42.9	10.59	10.46	10.16
Fabricated metal products	439.94	430.96	405.66	41.7	41.8	41.1	10.55	10.31	9.87
Machinery (except electrical)	436.30	450.24	429.86	42.4	42.0	42.9	10.29	10.72	10.02
Electrical products	428.19	421.01	395.75	38.3	38.1	37.3	11.18	11.05	10.61
Miscellaneous products	343.38	338.52	330.62	38.8	39.0	39.5	8.85	8.68	8.37
Other durable goods	430.68	416.47	397.85	40.9	40.2	41.1	10.53	10.36	9.68
Nondurable goods	390.60	390.17	388.63	40.9	40.6	41.3	9.55	9.61	9.41
Food and kindred products	499.73	509.84	479.52	42.1	42.7	42.1	11.87	11.94	11.39
Textile mill products	351.60	329.54	340.30	40.6	39.8	41.5	8.66	8.28	8.20
Apparel	266.16	262.77	245.44	37.7	36.7	36.2	7.06	7.16	6.78
Paper and allied products	461.01	482.30	545.65	44.2	45.5	50.9	10.43	10.60	10.72
Printing, publishing, and allied	411.26	406.22	384.53	38.4	38.0	38.3	10.71	10.69	10.04
Leather and leather products	220.89	213.06	211.84	35.8	34.7	34.9	6.17	6.14	6.07
Footwear	219.56	212.28	213.06	35.7	34.8	35.1	6.15	6.10	6.07
Other nondurable goods	404.20	403.32	408.11	43.0	42.1	41.9	9.40	9.58	9.74

Sample Percent of Production Workers: 46.4%

Total Production Workers: 80,500

Firms Reporting: 299

Manchester MSA

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	June 1989	May 1989	June 1988	June 1989	May 1989	June 1988	June 1989	May 1989	June 1988
All Manufacturing	$420.43	$412.33	$409.00	41.3	39.8	40.9	$10.18	$10.36	$10.00
Durable goods	411.84	414.77	407.64	39.6	38.8	39.5	10.40	10.69	10.32
Machinery and electrical products	426.21	426.34	417.44	41.1	38.9	40.1	10.37	10.96	10.41
Other durable goods	392.25	398.35	393.33	37.5	38.6	38.6	10.46	10.32	10.19
Nondurable goods	433.84	408.20	412.73	44.0	41.4	43.4	9.86	9.86	9.51
Textiles and apparel	407.25	350.17	357.43	45.3	41.1	42.1	8.99	8.52	8.49
Other nondurable goods	441.53	426.62	430.55	43.5	41.5	43.8	10.15	10.28	9.83

Sample Percent of Production Workers: 62.3%

Total Production Workers: 8,500

Firms Reporting: 40

Nashua PMSA

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	June 1989	May 1989	June 1988	June 1989	May 1989	June 1988	June 1989	May 1989	June 1988
All Manufacturing	$481.22	$492.75	$474.66	41.2	41.2	40.5	$11.68	$11.96	$11.72
Durable goods	483.18	499.77	481.34	40.4	40.5	41.0	11.96	12.34	11.74
Machinery and electrical products	512.92	537.14	511.20	39.7	39.7	40.0	12.92	13.53	12.78
Other durable goods	425.46	418.05	413.86	42.0	42.1	43.2	10.13	9.93	9.58
Nondurable goods	469.92	463.84	453.57	44.0	43.8	39.0	10.68	10.59	11.63

Sample Percent of Production Workers: 44.6%

Total Production Workers: 19,650

Firms Reporting: 51

Portsmouth-Dover-Rochester MSA

Industry	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	June 1989	May 1989	June 1988	June 1989	May 1989	June 1988	June 1989	May 1989	June 1988
All Manufacturing	$411.45	$412.41	$380.57	42.2	41.7	40.4	$9.75	$9.89	$9.42
Durable goods	446.47	441.60	396.93	42.4	41.7	39.3	10.53	10.59	10.10
Nondurable goods	359.10	366.91	354.06	42.0	41.6	41.9	8.55	8.82	8.45

Sample Percent of Production Workers: 46.1%

Total Production Workers: 14,900

Firms Reporting: 36

U.S. CONSUMER PRICE INDEX, JUNE 1989

	1989	1988	1987	1986
1982-84=100				
All Urban Consumers (CPI-U)				
June Index	124.1	118.0	113.5	109.5
Percent Change From Previous June	5.2	4.0	3.7	1.8
Urban Wage Earners and Clerical Workers (CPI-W)				
June Index	122.8	116.7	112.4	108.4
Percent Change From Previous June	5.2	3.8	3.7	1.3
1967=100				
All Urban Consumers (CPI-U)				
June Index	371.7	353.5	340.1	327.9
Percent Change From Previous June	5.1	3.9	3.7	1.7
Urban Wage Earners and Clerical Workers (CPI-W)				
June Index	365.9	347.6	334.9	323.0
Percent Change From Previous June	5.3	3.8	3.7	1.3

JUNE CPI INDEXES BY CATEGORY

(1982-84=100, except where otherwise noted)

Categories	CPI-U Jun Index	Percent Change from: Jun 1988	May 1989	CPI-W Jun Index
All Items	124.1	5.2	0.2	122.8
All Items (1967=100)	371.7	5.1	0.2	365.9
Food and Beverages	124.9	6.2	0.2	124.6
Housing	122.9	3.6	0.7	121.1
Apparel and Upkeep	117.8	2.8	-2.2	116.9
Transportation	115.9	6.8	-0.1	116.0
Medical Care	148.5	7.5	0.7	148.8
Entertainment	126.2	5.1	0.6	125.5
Other Goods and Services	146.3	8.0	0.6	146.3

YEARLY CHANGES IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (1982-84 = 100)

	1988	1987	1986
Average CPI-U Level for Year:	118.3	113.6	109.6
Percent Change from Previous Year Average:	4.1%	3.6%	1.9%
December CPI-U Level for Year:	120.5	115.4	110.5
Percent Change from Previous December:	4.4%	4.4%	1.1%

Note: The CPI data on these tables is unadjusted for seasonal fluctuations.

Source: United States Department of Labor, Bureau of Labor Statistics

Consumer Price Index for June 1989

- The CPI-U for All Items rose 0.2% from May to June this year. This was a significant moderation from the increases of the previous months, 0.6% from April to May and 0.7% from March to April. Over the year, the CPI-U for All Items rose 5.2%, down from the high of 5.4% for May.

- The Food and Beverages index rose 6.2% over the year; it increased only 0.2% since May, compared with the 0.6% over-the-month increase from April to May. The prices of *fruits and vegetables* have been especially volatile from month to month: for June the index was down 1.8% after being sharply higher in May (3.4%) and April (1.7%). *Dairy products* declined modestly in the previous two months (-0.2% June and -.0.3% May). *Sugar and sweets* increased 0.9% for May to June.

- The Housing index rose 3.6% over the year and 0.7% from May to June. Over the month, *household fuel oil* dropped 1.6%, *while piped gas and electricity* rose 4.1%. *Renters' costs* rose 0.7% May to June and *maintenance and repairs* increased 0.8% in price.

- The Apparel and Upkeep index rose 2.8% for the year ending in June and fell 2.2% from May to June. End-of-the-season clothing markdowns were responsible for the decline in prices, especially in *women's apparel*.

- The Transportation index has risen 6.8% over the previous year but dropped 0.1% over the previous month. *Gasoline prices* dropped 0.5% for the month but were up 18.3% for the year. Prices for *new vehicles* were down 0.3% for the month; price increases over the previous year were 2.4%. By contrast, prices of *used cars* increased 0.2% for the month and 3.1% for the year.

- The Medical Care index rose 0.7% for the month ending in June and 7.5% since June 1988. *Commodities* and *services* both increased by 0.7% for the month. Commodity increases were 8.3% for the year while services had increased 7.3%.

- The Entertainment index sustained a 0.6% increase for the month and a 5.1% rise for the year. Price increases in *admissions to movies, musical events, and sporting events* were largely responsible for the index increase.

- The index for Other Goods and Services rose 8% for the year ending June and 0.6% for the month. Most notable was the 1.9% increase in *tobacco and smoking products*, bringing the change over the previous year to 14.3% and the index to 164.2. *Toilet goods and personal care appliances* fell 0.4% for the month for a price increase of 4.0% for the year.

- Watch for moderating food prices as harvests yield increased supplies of fruits, vegetables, and grains. Oil prices are likely to remain lower than experienced this spring, although the onset of colder weather may cause fuel prices to creep upwards. The prices of new American cars are predicted to be 3% to 5% higher for the 1990 models. The reopening of schools usually causes higher apparel prices for new fall and winter clothing as well as price increases in school books and supplies and personal and educational services.

Ricia Dubuclet

New Hampshire Labor Supply and Demand

The number of active applicants in June was 12,518, down 12.4 percent from the May level of 14,294 but still 33.5 percent above the June 1988 level of 9,378. Although the number of active applicants is significantly above the level of last year, that number represents a rather small portion of the labor force. Job openings received decreased from 1,724 in May to 1,547 in June; a year ago there were 2,044 June job openings received. Even though the number of active applicants has decreased from the previous month, unemployment has increased. The increase in unemployment is a reflection of the general slowdown of the economy and students entering the work force looking for summer jobs, while the decrease in the number of active applicants from the previous month is the result of increased seasonal job openings. Although unemployment has increased and the number of active applicants is high relative to the previous year jobs in New Hampshire are readily available in the services and structural industries, while sales and material handling jobs are more scarce.

Manufacturing has felt the impact of fewer workers more than the services industry, since entry level workers are more inclined to go to service jobs which pay as well as manufacturing ones and have more flexible hours. If a new manufacturing firm is looking into any part of the state with the idea of relocating their business, they need a large available pool of workers to draw from and New Hampshire in recent years has not had that large pool to draw from. Keene, located in Cheshire County in the southwestern part of the state, has had consistently low unemployment rates in the past. This area has seen the gradual increase of non-manufacturing occupations over manufacturing occupations in recent years, as has the rest of the state, with manufacturing employment in the Keene area shrinking from 34 percent to 24 percent of the total in the last seven years. Unemployment has remained low during this gradual transition to more nonmanufacturing jobs, with flexible part - time hours and good pay working to the advantage of fast food restaurants and super markets, and other retail and service businesses. The Keene area is not as heavily populated as the eastern portion of the state, and having not experienced the rapid growth of larger cities located on or near major interstate highways and the east coast, Keene has been able to grow in a more orderly manner.

ACTIVE APPLICANTS BY OCCUPATION, JUNE 1989

Area	Professional, Technical, & Managerial	Clerical	Sales	Services	Farm	Processing	Machine Trades	Benchwork	Structural Work	Freight & Transportation	Packaging & Material Handling	Miscellaneous	Total
New Hampshire	2,118	2,329	716	1,694	204	160	833	817	2,460	477	592	118	12,518
Berlin	20	68	20	76	5	0	12	14	74	10	19	1	319
Claremont	74	68	13	48	4	1	40	22	58	11	34	1	374
Concord	297	254	64	181	30	5	102	58	300	77	40	12	1,420
Conway	26	26	12	32	4	0	8	8	49	6	2	0	173
Dover	303	318	91	178	26	20	111	138	338	65	49	9	1,646
Keene	124	167	52	165	26	8	64	42	131	24	38	2	863
Laconia	168	194	64	161	27	15	89	60	265	60	22	5	1,130
Lebanon	94	57	30	39	6	1	10	12	58	4	9	2	322
Littleton	28	65	17	70	9	1	25	27	83	9	11	2	347
Manchester	308	434	140	414	22	40	151	160	459	103	199	47	2,477
Nashua	339	345	87	173	16	26	118	157	280	68	111	26	1,746
Portsmouth	209	167	84	101	13	18	51	42	274	25	42	7	1,053
Salem	128	126	42	56	16	25	52	77	91	15	16	4	648

ACTIVE APPLICANTS BY SEX, AGE, MINORITY STATUS, AND VETERAN STATUS, JUNE 1989

Area	Male	Female	Eligible Claimants	Minority	Veterans	Age<45	Age >45	Total Active Applicants	Unfilled Openings: Total	Unfilled Openings: 30 Days+
New Hampshire	7,497	5,021	5,347	438	2,556	10,198	2,320	12,518	1,542	963
Berlin	174	145	78	4	35	264	55	319	57	30
Claremont	218	156	73	2	73	313	61	374	57	36
Concord	988	432	602	29	401	1,134	286	1,420	102	82
Conway	104	69	87	2	29	136	37	173	48	29
Dover	986	660	726	38	407	1,366	280	1,646	108	54
Keene	435	428	216	9	118	711	152	863	106	38
Laconia	679	451	476	10	203	926	204	1,130	139	71
Lebanon	180	142	102	10	53	271	51	322	42	25
Littleton	189	158	80	2	42	299	48	347	70	24
Manchester	1,503	974	1,097	132	528	2,043	434	2,477	136	60
Nashua	1,032	714	952	133	306	1,387	359	1,746	79	53
Portsmouth	660	393	505	43	239	848	205	1,053	195	112
Salem	349	299	353	24	122	500	148	648	95	58
All Others									308	291

Source: Employment Security Automated Reporting System - Table A96

The number of active applicants in June was 1,776 less than for May, while a year ago the decrease between those months was only 504. Structural occupations had the greatest decrease in the number of active applicants (-635), followed by professional, technical and managerial (-257), packaging and material handling (-213) and clerical (-211). Structural occupations showed a surprisingly large drop in the number of active applicants, -635 between May and June 1989. Compared to -334 between May and June 1988, especially considering the perceived general slowdown of the economy and of construction in particular. In addition to construction, packaging and material handling (-213) and motor freight and transportation (-150) showed significant decreases in the number of active applicants, indicating workers are getting jobs in these industries.

Professional technical and managerial occupations (-257 between May and June 1989 and +27 between May and June 1988) along with clerical occupations (-211 between May and June 1989 and +23 between May and June 1988) have each registered sizeable declines in the number of active applicants while in the previous year they had increased their number. Sales occupations had an increase of only 2 active applicants between May and June of this year with an increase of 23 for last year.

Job openings received declined in number from the previous month (-177) with services (-90 between May and June 1989 -122 between May and June 1988) and packaging and material handling (-71 between May and June 1989 and +3 between May and June 1988) showing the greatest declines. Sales job openings received has a sharp drop, moving from 104 job openings in May to 56 in June (-48). Structural job openings received were about even with last year (-23 between May and June of 1989 and -25 between May and June of 1988).

Oliver Northcott

JOB OPENINGS RECEIVED BY OCCUPATION, JUNE 1989

Area	Professional, Technical, & Managerial	Clerical	Sales	Services	Farm	Processing	Machine Trades	Benchwork	Structural Work	Motor Freight & Transportation	Packaging & Materiri Handling	Miscellaneous	Total
New Hampshire	108	231	56	292	271	25	94	83	250	61	68	8	1,547
Berlin	5	34	2	24	0	0	1	0	6	5	2	0	79
Claremont	2	9	2	16	3	1	9	5	14	6	5	2	74
Concord	6	13	1	7	1	0	4	0	17	9	2	1	61
Conway	1	3	1	11	1	0	1	20	11	2	1	0	52
Dover	21	20	6	15	3	1	11	5	25	4	1	2	114
Keene	17	12	3	11	0	1	5	12	40	4	10	0	115
Laconia	4	23	5	47	4	8	8	7	14	6	1	0	127
Lebanon	2	6	0	25	0	1	4	0	29	0	4	0	71
Littleton	0	19	6	24	4	7	24	2	16	3	5	0	110
Manchester	9	28	11	40	2	4	8	10	31	4	10	0	157
Nashua	2	13	2	8	0	2	3	4	11	2	15	0	62
Portsmouth	18	38	9	34	1	0	10	7	21	15	8	0	161
Salem	7	13	4	9	0	0	6	11	15	1	4	3	73
All Others	14	0	4	21	252	0	0	0	0	0	0	0	291

JOB OPENINGS RECEIVED BY INDUSTRY, JUNE 1989

Area	Agriculture, Forestry and Fisheries	Construction & Mining	Manufacturing	Transportation, Communication & Utilities	Trade	Finance Insurance, Real Estate	Services	Public Administration	Total	Government Openings in Columns 1-8*
New Hampshire	267	260	275	25	232	38	400	50	1,547	201
Berlin	0	26	4	0	13	6	26	2	79	7
Claremont	2	9	22	2	21	3	14	1	74	2
Concord	4	17	5	0	10	0	11	14	61	20
Conway	0	10	21	0	7	1	13	0	52	0
Dover	1	11	25	1	20	3	51	2	114	94
Keene	0	44	31	2	12	0	24	2	115	8
Laconia	1	14	27	2	22	8	45	8	127	14
Lebanon	0	26	7	0	16	0	19	1	71	4
Littleton	4	15	33	2	19	4	32	1	110	6
Manchester	0	39	26	1	17	6	59	9	157	11
Nashua	0	9	31	0	5	4	13	0	62	1
Portsmouth	3	25	18	15	51	3	41	5	161	18
Salem	0	13	23	0	18	0	18	1	73	3
All Others	252	0	2	0	1	0	32	4	291	13

Source: Employment Security Automated Reporting System - Table 10

* *This column includes Job Openings received from government-owned-and-operated employers in all types of industries. It consists of numbers that are included in the first eight columns.*

Notes of Interest:

Revised Per Capita Personal Income estimates for 1988 were recently released by the Bureau of Economic Analysis of the United States Department of Commerce. They are reproduced below. [Preliminary estimates were included in the May 1989 issue of *Economic Conditions in New Hampshire* on page 11.] The three states having the highest per capita income in 1988 repeated in the same order as 1987. New Hampshire, which placed eighth in per capita income in 1987, rose to fifth place in 1988. Other states in the top ten that changed places were Alaska (dropping from fourth place to seventh place), Maryland (moving from fifth place to fourth place), and California (dropping from seventh place to eighth place). Per capita personal income in New Hampshire was about 13% above the United States average in 1987, but rose to about 18% above the national average in 1988. The high ranking for the state is due in part to low unemployment rates and very high labor force participation rates. Even though average annual pay for workers in New Hampshire is lower than the average for the United States, the high proportion of people working and short duration of unemployment meant that per capita incomes were quite high.

PER CAPITA PERSONAL INCOME -- 1988

Rank	State	Income	% of US Average	Rank	State	Income	% of US Average
1	Connecticut	$23,059	140	26	Nebraska	$15,184	92
2	New Jersey	21,994	133	27	Oregon	14,982	91
3	Massachusetts	20,826	126	28	Georgia	14,980	91
4	Maryland	19,487	118	29	Maine	14,976	91
5	**New Hampshire**	**19,434**	**118**	30	Arizona	14,887	91
6	New York	19,305	117	31	Iowa	14,764	90
7	Alaska	19,079	116	32	Indiana	14,721	90
8	California	18,753	114	33	Texas	14,640	89
9	Delaware	17,699	108	34	North Carolina	14,128	86
10	Virginia	17,640	107	35	Wyoming	13,718	83
11	Illinois	17,611	107	36	Tennessee	13,659	83
12	Nevada	17,440	106	37	Oklahoma	13,269	81
13	Hawaii	16,898	103	38	Kentucky	12,795	78
14	Rhode Island	16,793	102	39	South Carolina	12,764	78
15	Minnesota	16,787	102	40	North Dakota	12,720	77
16	Washington	16,569	101	41	Montana	12,670	77
17	Florida	16,546	101	42	Idaho	12,657	77
--	**UNITED STATES**	**16,444**	--	43	Alabama	12,604	77
18	Colorado	16,417	100	44	New Mexico	12,481	76
19	Michigan	16,387	100	45	South Dakota	12,475	76
20	Pennsylvania	16,168	98	46	Louisiana	12,193	74
21	Kansas	15,905	97	47	Arkansas	12,172	74
22	Missouri	15,492	94	48	Utah	12,013	73
23	Ohio	15,485	94	49	West Virginia	11,658	71
24	Wisconsin	15,444	94	50	Mississippi	10,992	67
25	Vermont	15,382	94				

Source: U.S. Department of Commerce, Bureau of Economic Analysis

WEEKLY CLAIMS FILED DURING JUNE
CLASSIFIED BY LOCAL OFFICE

Area	U. C. Unemployment Compensation		State Workers (Only)		U. C. Local Government		Ex-Military Servicemen (UCX Only)		U.C. Federal Employees No U.I.	
	Initial Claims	Continued Claims	Initial Claims	Continued Claims	Initial Claims	Continued Claims	Initial Claims	Continued Claims	Initial Claims	Continued Claims
All Offices	3,993	16,321	13	27	13	7	13	30	17	33
Berlin	122	488	0	0	0	0	2	0	0	0
Claremont	163	309	0	1	1	1	0	2	0	0
Concord	406	1,810	1	2	4	0	0	0	1	3
Conway	88	540	0	0	0	0	0	0	0	0
Dover	607	1,878	0	0	0	0	6	7	9	5
Keene	141	614	1	1	0	2	0	0	0	0
Laconia	389	1,485	3	5	2	1	0	2	0	0
Lebanon	81	260	1	5	0	0	0	1	0	1
Littleton	101	401	0	3	0	0	0	0	0	0
Manchester	762	3,281	4	4	1	0	2	4	1	6
Nashua	449	1,951	0	3	3	0	2	6	1	5
Portsmouth	324	1,468	3	2	0	0	1	8	5	6
Salem	180	641	0	1	2	3	0	0	0	0
Liable Interstate	180	1,195	0	0	0	0	0	0	0	7

The average payment for a week of total unemployment: $126.84

The Unemployment Compensation Fund Balance at the End of the Month: $195,145,556.44

Net contributions received during the month: $122,119.04

Net benefits paid during the month: $3,004,279.03

Interest Received: $0.00